

## Project Officer Baseline Monitoring

Grantee: Montana Department of Environmental Quality

Program: Superfund

Assistant ID Number: V97801901

1. Is payment history consistent with progress to date?

Yes. MDEQ has tasked its contractors to provide support on the Community Involvement Plan (CIP) and the Troy Asbestos Property Evaluation (TAPE) and invoices for these tasks are consistent with progress to date. Travel and payroll are consistent with the level of state involvement at the site.

2. Is the work under the agreement on schedule?

No. Due to funding constraints, state contracting requirements, and the inability to approve the TAPE, field investigations in Troy (Libby OU07) have not proceeded under the schedule as agreed upon when USEPA and MDEQ opened V97801901 in FY2004.

3. Is actual work being performed within the scope of the recipient's work plan?

Yes.

4. Are the recipient's staff and facilities appropriate to handle the work under the agreement?

Yes.

5. Are the products/progress reports submitted on time?

Yes. All quarterly reports were included in the file sent to Project Officer. MDEQ also submitted a letter to USEPA's Project Officer (dated Sept 29, 2006 and included as an attachment) that identifies status of Project Deliverables and Reports required under the Section 4.2.4 of Cooperative Agreement V97801901.

6. Are the products/progress reports acceptable?

Yes. Reports and Deliverables are submitted in a format acceptable to USEPA.

7. Is the recipient making adequate progress in achieving outcomes and outputs and associated milestones in the assistance agreements work plan?

Yes. MDEQ and USEPA Project Officer have met with MDEQ's contractor Tetra Tech, EMI and Troy City Council to scope out field investigations over in 2007.

8. If the recipient is experiencing significant problems meeting agreed-upon outcomes and outputs, has the recipient been required to develop and implement a corrective action plan?

MDEQ and USEPA are awaiting a detailed budget from Tetra Tech, EMI for field investigation in 2007. Once this budget has been provided, MDEQ will amend the Cooperative Agreement to include money for its contractor as well as sufficient payroll and travel to have a MDEQ field presence during investigations.

9. Has the recipient complied with the programmatic terms and conditions of the award?

Yes.

10. Did the recipient purchase equipment as planned in the agreement?

A standard line item amount of \$500 was placed in Cooperative Agreement as a contingency for any equipment purchases that may be needed to meet terms and conditions of this agreement. However, no equipment purchases are planned at this time.

11. Has the equipment been used as planned in the agreement?

Not applicable as equipment purchases are not planned at this time.



Montana Department of  
ENVIRONMENTAL QUALITY

Brian Schweitzer, Governor

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September 29, 2006

Roger Hoogerheide  
Superfund RPM  
U.S. EPA Region 8 (8EPR-SR)  
999 18<sup>th</sup> Street; Suite 300  
Denver CO 80202-2466

Re: Cooperative Agreement for Libby-Troy Operable Unit 07

Dear Mr. Hoogerheide:

Per your request, the Montana Department of Environmental Quality (DEQ) is providing a status report on the above mentioned Cooperative Agreement. Section 4.2.4 details the Project Deliverables and Reports required under the Cooperative Agreement. The following text is from Section 4.2.4 and identifies the status of each deliverable in *italic* font.

A. Progress Reporting Requirements

DEQ's contractor(s) shall prepare monthly progress reports to describe the technical and financial progress of the project. *DEQ's contractor provides monthly progress reports to DEQ, which can be made available to EPA upon request.*

B. Community Relations Plan (CRP)

The CRP documents the history of community relations, identifies issues of community concern and describes community involvement activities that DEQ will conduct during the TCSS. DEQ's state project officer in consultation with DEQ's Remediation Division Public Information Officer (PIO) shall prepare a draft and final CRP. Prior to completing the final CRP, DEQ shall incorporate all EPA comments on the draft CRP. *DEQ prepared the Community Involvement Plan in June of 2005. Copies are available at the EPA Information Center in Libby, Troy City Hall, EPA offices in Denver, and DEQ's offices in Helena.*

C. Historic Data Summary Report (HDSR)

The HDSR, if determined necessary by DEQ and EPA, identifies and summarizes pertinent historical information and data collected at the Troy OU7. DEQ's contractor shall prepare a draft and final HDSR. HDSR information and data will be presented in a combination of text and tabular format with appropriate figures and maps. Prior to finalizing the HDSR, DEQ's contractor shall incorporate all DEQ and EPA comments on the draft HDSR. *DEQ has determined a HDSR is not necessary. DEQ has found data for approximately 25 properties in the Troy OU. DEQ's contractor will review the available data to determine if an additional field visit is necessary to meet the objectives of the Troy Asbestos Property Evaluation (TAPE).*

D. Troy Contaminant Screening Study Work Plan (TCSS)

The TCSS WP shall identify and document research, data evaluation, field reconnaissance, and data collection tasks to be conducted during the TCSS. DEQ's contractor shall prepare a draft and final CSS WP. Prior to finalizing the CSS WP, DEQ's contractor shall incorporate all DEQ and EPA comments on the draft CSS WP. *DEQ prepared preliminary data quality objectives (October 2005), attended a scoping meeting in Denver (October/November 2005), and provided four drafts of the*

*Troy Asbestos Property Evaluation Work Plan (aka TCSS) (January/February 2006) for EPA comment. DEQ released the draft final TAPE for public comment in April 2006. DEQ's distribution included presentations to the LATAG, CAG, Lincoln County Commissioners, and Troy City Council. DEQ also made copies available at the EPA Information Center in Libby and Troy City Hall. DEQ is currently waiting for public comment, if any, and approval from EPA.*

E. SAP (Field Sampling Plan and Quality Assurance Project Plan)

SAPs address all field activities necessary to obtain additional site data and contains the FSP and the QAPP. DEQ's contractor shall prepare draft and final FSPs as necessary for each separate field activity. DEQ will use the QAPP prepared for the LCSS. If DEQ determines that any site specific adjustments to that QAPP are needed for the TCSS, DEQ's contractor shall prepare a QAPP addendum. Prior to finalizing each FSP, DEQ's contractor shall incorporate all DEQ and EPA comments on the draft SAP. *The SAP is included in the TAPE (see above).*

F. HSP

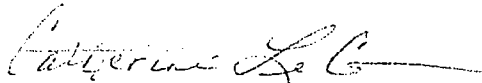
The HSP(s) shall ensure the protection of the investigative team and the general public during TCSS field activities. DEQ's contractor shall prepare draft and final HSP(s) using the documents identified in section 4.2.2.1. Prior to finalizing the HSP, DEQ's contractor shall incorporate all DEQ and EPA comments on the draft HSP. Neither agency will approve the HSP. *The HSP is included in the TAPE (see above).*

G. TCSS Report

The CSS Report provides a summary of all data and information collected as outlined in the CSS WP, including results of all tasks including appropriate electronic data for submission to EPA's V2 database. DEQ's contractor shall prepare a draft and final CSS Report. Prior to finalizing the CSS Report, DEQ's contractor shall incorporate all DEQ and EPA comments on the draft CSS Report. *The TCSS Report is not applicable until after the field work is completed. DEQ anticipates completing the field work in 2007. DEQ and EPA will continue discussions regarding the contents of the TCSS Report, most importantly data results.*

I look forward to working with you to continue forward progress on the Troy OU investigation. Please feel free to contact me with any questions or concerns. I can be reached at 406-841-5040 or electronically at clecours@state.mt.us.

Sincerely,



Catherine LeCours  
Superfund Project Manager  
Remediation Division

## ATTACHMENT NINE

### Project Officer Off-Site/On-Site Review Guidance and Protocol

*Unlike the administrative reviews conducted by the Grants Management Offices (i.e., that which focus on the recipient institution's financial, personnel, property and procurement records, systems and procedures), Project Officers are responsible for performing programmatic reviews (i.e., that which pertains to the goals, objectives and activities reflected in the assistance agreement).*

#### **PRIOR TO CONDUCTING THE ON-SITE OR OFF-SITE EVALUATION, Project Officers must:**

- Review the workplan under the signed assistance agreement, the recipient's progress reports and any products produced under the agreement to date
- Review the Federal role under the agreement (including the collaborative activities, schedules, comments and approvals for which the Project Officer had the responsibility)
- Identify the issues that require resolution during the visit
- Send a letter to the recipient confirming the date and scope of review (Appendix B)
- Assess whether the recipient's progress is commensurate with payments made by EPA
- Review the recipient's grant payment history at [http://oasint.rtpnc.epa.gov/neis/grant\\_web.grant\\_inquiry](http://oasint.rtpnc.epa.gov/neis/grant_web.grant_inquiry) (Instructions appear in Appendix A)
- Assess whether the grantee met any or all the programmatic reporting requirements
- Gather all pertinent information for the visit

#### **AFTER THE EVALUATION, Project Officers must:**

- File a report which:
  - Summarizes Project Officer observations and conclusions in each of the core areas
  - Explains how the issues were resolved during the review
  - Discusses how and when outstanding issues will be resolved
  - Includes milestones and next steps
- Send a letter to the recipient summarizing the findings, resolved and unresolved issues and EPA/ recipient commitments
- Work with the GMO to initiate any necessary grant amendments (e.g., scope or budget revisions)
- Seek and document assistance from senior management or the Grants Office for unresolved issues

Project Officers may use this document in their efforts to develop a report.

*To ensure that progress is being made to meet the original goal and objective of the assistance agreement and that activities are carried out according to applicable statutes, regulations, and policies. Project Officers must contact their Grants Office immediately if the recipient shows unreasonably slow progress or does not comply with the provisions in the grant agreement. If there is reason to believe that the grantee has committed or commits fraud, waste and/or abuse, then the Project Officer must contact the Office of the Inspector General.*

For questions regarding this document, please contact your office point of contact.

## BACKGROUND INFORMATION

1. DATE 11/13/06		2. SIGNATURE OF EVALUATOR <i>Roger Hoogerheide</i>							
3. OFFICE EPR-PS		4. PROJECT OFFICER (s) FOR REVIEWED ASSISTANCE AGREEMENT  Roger Hoogerheide							
5. TYPE OF EVALUATION:		Evaluative On-Site Visit <input checked="" type="checkbox"/> Off-site Evaluation <input checked="" type="checkbox"/> Follow-up <input checked="" type="checkbox"/> Joint Site Review <input type="checkbox"/> (Note: Please provide the name of the co-evaluator and office in this block.)							
6. AWARD INFORMATION		7. PROJECT PERIOD							
Grant <input type="checkbox"/> Cooperative Agreement <input checked="" type="checkbox"/>		<table border="1"> <thead> <tr> <th>BEGINNING</th> <th>ENDING</th> </tr> </thead> <tbody> <tr> <td>10/01/04</td> <td>9/30/07</td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table>		BEGINNING	ENDING	10/01/04	9/30/07		
BEGINNING	ENDING								
10/01/04	9/30/07								
RECIPIENT Montana Department of Environmental Quality		PRE-AWARD COSTS Did the recipient incur costs prior to receiving the award? Did they charge it to the agreement? If so, were the costs included in the assistance application or approved by EPA? (For more information on pre-award costs, please review: 1) GPI-00-02 (a) entitled, "Clarification on GPI 00-02 Modification to Policy Guidance for 40 CFR Part 31 Pre-Award Costs," (May 3, 2000); 2) 40 CFR 30.25(f)(1) or 40 CFR 30.28 and; 3) 40 CFR 31.23  N/A							
AWARD AMOUNT  EPA share: \$1,286,326 approved ceiling \$947,000 approved budget Recipient share/Match: N/A  Other: N/A  Total: \$1,286,326 approved ceiling \$947,000 approved budget									
7. SCOPE OF REVIEW Please summarize the purpose of your review (e.g., To observe project activities, review six grants under the State's Air 103 program). Please include the list of issues that will be raised for resolution during the review (e.g., Need response on why the recipient spent half of the grant award and hasn't produced a literature review).  Project Officer responsibilities have been reassigned to new Project Manager for Libby Abestos OU07. As part of the transfer, new Project Officer conducted a post award evaluation.									

**EPA SAMPLE PROJECT OFFICER POST-AWARD EVALUATION PROTOCOL**

*To prevent potential problems with the Paperwork Reduction Act, Project Officers should not give this protocol to the recipient or direct the issues as questions to the recipient.*

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**1. FINANCIAL**

Project Officers are responsible for:

- \$ Analyzing the budget information in the reports by reviewing the payment history (using recipient progress reports, Financial Status Reports, or IFMS reports) and comparing actual amounts spent against the planned budget in the workplan.
- \$ Providing rebudget approval to the Grants Specialist on the recipient's request to rebudget grant funds or on other actions which require prior approval from EPA.

**2. TECHNICAL**

Project Officers are responsible for:

- Monitoring all activities and the recipient's progress on the project.
- Providing comments to the recipient on the progress reports and other work products.
- Apprising program staff who are responsible for parts of the project/program on issues which need resolution.
- Recommending actions that require the attention of the Grants Management Office, the Office of General (or Regional) Counsel and the Quality Assurance/Quality Control contact.

**1. The PO should determine if...**

- |   | Yes | No |
|---|-----|----|
| ...the payment history is consistent with the progress to date. | X   |    |
| ...additional funds are required to meet the objectives.        | X   |    |

**2. The PO should determine if...**

- |   | Yes | No |
|---|-----|----|
| ...the work under the agreement is on schedule.                                 |     | X  |
| ...work being performed is within the scope of the workplan                     | X   |    |
| ...staff and facilities are appropriate to handle the work under the agreement. | X   |    |
| ...products/progress reports are being submitted on time and are acceptable.    | X   |    |



### EPA SAMPLE PROJECT OFFICER POST-AWARD EVALUATION PROTOCOL

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#### **3. AGREEMENT-SPECIFIC**

Project Officers are responsible for:

- Reviewing progress reports and other work products to assure that the recipient is complying with the applicable regulations and the programmatic terms and conditions in the agreement.
- Notifying the **GMO** if the recipient is not complying with the terms and conditions of the agreement.
- Providing technical assistance to recipients when requested or required by the programmatic terms and conditions of the award.
- Assisting the recipient, where appropriate, with the development of a plan to conduct subsequent portions of the project.

**NOTE:** Select those areas which apply to your specific agreement.

Equipment  
Property  
Travel  
Conferences  
Program Income  
Subagreements  
In-Kind Services  
Quality Assurance/Quality Control  
Human/Animal Subjects

#### **3. As appropriate, the PO should determine if...**

##### **PROGRAM REGULATIONS/ TERMS AND CONDITIONS**

*Not Applicable*

~~Yes~~

No

...the recipient has complied with the agreement's relevant programmatic regulations and/or programmatic terms and conditions.

##### **EQUIPMENT**

*Not Applicable*

Yes

~~No~~

...the recipient purchased equipment as planned in the agreement.

Yes

~~No~~

...the equipment has been used as planned in the agreement.

##### **PROPERTY**

*Not Applicable*

Yes

No

*will rent not purchase*  
...the recipient purchased and used real property (e.g., land, buildings) as prescribed in the agreement.

##### **TRAVEL**

*Not Applicable*

~~Yes~~

No

...authorized travel has been carried out appropriately.

**EPA SAMPLE PROJECT OFFICER POST-AWARD EVALUATION PROTOCOL**

*To prevent potential problems with the Paperwork Reduction Act, Project Officers should not give this protocol to the recipient or direct the issues as questions to the recipient.*

**AGREEMENT-SPECIFIC, cont'd.**

Although it is not required, Project Officers should:

- Share relevant information from the November 1998 Best Practices Guide for Conferences (Appendix I, EPA Project Officer Manual) and the Office of General Counsel's Printing Guidance (June 14, 2000) with the recipient.
- Work with the recipient to ensure that the work under a subagreement (e.g., contracts, subgrants, memoranda of understanding, and, if applicable, intergovernmental agreements under the assistance agreement) does not go beyond the scope of the assistance agreement.

**NOTE:** Project Officers must work with the recipient to resolve program-income related issues on agreements that generate program income.

**CONFERENCES**

~~Not Applicable~~ 9

Yes No

...the conference complied with the Best Practices Guide for Conferences.

**SUBAGREEMENTS**

~~Not Applicable~~ 9

~~Yes~~ No

...subagreement's are consistent with the approved workplan.

...the recipient reprogrammed funds to contracting.

...the subcontract's Statement of Work is consistent with the scope of the assistance agreement.

...subagreement costs charged are eligible and allocable.

**PROGRAM INCOME**

~~Not Applicable~~

Yes ~~No~~

...the project generated unanticipated income.

**HUMAN SUBJECTS**

~~Not Applicable~~

Yes No

...the recipient has followed the regulations under 40 CFR Part 26.

**EPA SAMPLE PROJECT OFFICER POST-AWARD EVALUATION PROTOCOL**

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**AGREEMENT-SPECIFIC, cont'd.**

**QUALITY ASSURANCE/  
QUALITY CONTROL**

*Not Applicable*

Yes

~~No~~

...an approved Quality Assurance  
Management and/or Quality  
Assurance Project Plan  
(QMP/QAPP) is in place.

1/31/07

...all personnel responsible for  
implementing the QMP/QAPP  
are familiar with its requirements.

~~X~~

there is an audit tool and schedule to  
ensure that the QMP/QAPP  
requirements were met.

~~X~~

will be

**EPA-FURNISHED IN KIND  
ASSISTANCE**

*Not Applicable*

Yes

No

...was satisfactory for  
use in the assistance agreement.

**RECIPIENT-FURNISHED/ THIRD  
PARTY IN-KIND CONTRIBUTIONS**

*Not Applicable*

Yes

No

...met the conditions under  
40 CFR 30.23 and 40 CFR 31.24.

...any adjustments were made  
to the cost share

**EPA SAMPLE PROJECT OFFICER POST-AWARD EVALUATION PROTOCOL**

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**OBSERVATIONS AND CONCLUSIONS**

- Quarterly reports are up to date and in a format appropriate to USEPA.
- Given the scrutiny of Libby Asbestos NPL site, MDEQ has maintained proper record keeping.
- Insufficient federal funding and a delay in USEPA's approval of the Troy Asbestos Property Evaluation have limited MDEQ's ability to complete field investigations under current period of performance. Period of Performance will need to be amended through September 2008 when MDEQ's comes in with a new budget.
- Travel and payroll will need to increase to allow appropriate MDEQ presence in Troy during field investigations.
- Given the number of composite samples now required for each property evaluation, Tetra Tech, EMI's initial budget will need to increase to allow for a longer field presence. The current budget approved under the Cooperative Agreement will increase to allow for a field presence in 2007 of 20 weeks instead of the 15 weeks that were currently negotiated with MDEQ's contractor.

**AREAS REQUIRING PROJECT OFFICER ASSISTANCE**

- USEPA's Technical Assistance Unit has agreed to provide technical comments on the Troy Asbestos Property Evaluation by 12/15/06. MDEQ's contractor, Tetra Tech, EMI, will incorporate EPA's and public's comments, if any, by 1/13/07. In an on site meeting with MDEQ and Tetra Tech, EMI on 11/07/06, Tetra Tech agreed to provide a better budget estimate to MDEQ and USEPA by early December to allow for a greater field presence in 2007. It will be necessary to expedite amendment 4 of the Cooperative Agreement to allow MDEQ sufficient time to get a task order approved under it's contract with Tetra Tech, EMI to allow mobilization by 3/01/07.

**AREAS REQUIRING SENIOR MANAGEMENT OR GRANTS OFFICE ASSISTANCE**

- The Grant's Office will need to expedite amendment 4 in the 2<sup>nd</sup> quarter of FY2007 to allow MDEQ sufficient time to amend its contract with Tetra Tech, EMI.

**SIGNATURE OF EVALUATOR**



**DATE** 11/13/06

**AGREEMENT NUMBER** V-97801901-3